

23 June 1976

MEMORANDUM FOR: Deputy Director for Administration

FROM : [REDACTED]
Chairman, ADMAG

SUBJECT : Non-profit Transportation Association

1. It has been a government-wide policy, and certainly in the interest of this Agency, to assist employees in finding transportation options other than the one car-one person approach. Precedents have been set in current programs for reserved parking spaces for car pools and special Metro Bus routes. ADMAG has had under consideration for some time two proposals that address the transportation problem. One calls for the Credit Union to offer preferential vehicle loan rates under very strict controls to induce more extensive car pooling. The other would require a non-profit Transportation Association based along the lines of the Employee Activity Association and the Credit Union. Both approaches could provide door-to-door transportation to our various locations for a great number of our employees at less expense than operating their personal vehicles. Activation of either system could also improve the general tight parking situation faced by most of our locations. ADMAG recommends that both proposals be studied by the DDA to determine their possible value to the Agency.

2. Preferential Loan Rate - This approach would require the Agency Credit Union to offer a preferential vehicle loan rate under strict controls. Any Credit Union member willing to comply with the required controls would be eligible for one of a limited number of preferential vehicle loans at a rate matching the current dividend level, 6.25 percent. Participants would be able to select the vehicle of their choice, new or used, but must revalidate their eligibility every three months. The controls should include signed proof of daily and acceptable door-to-door transportation from at least six employees. At any time the driver no longer complies with the requirements, the loan would automatically revert to the regular 9 percent level. The advantages of this system are evident; including minimum Agency involvement, no legal or maintenance considerations, and ease of immediate system conversion when either the association or individual desires. All Credit Union members would be eligible to apply for one of the preferred rate loans.

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3. Non-Profit Association, Leased Vehicles - Initially, only a small number of nine passenger vans, equipped with air conditioning and radio, would be leased by the Association with the backing of the Agency Credit Union or Employee Activity Association. These vans would be operated by volunteer drivers under the following conditions:

a. Each driver would be required to obtain a chauffeur's license.

b. The drivers must provide door-to-door transportation for themselves and at least six passengers to and from the Agency each working day. A central listing of interested drivers and riders would be available through the Association.

c. A backup driver should be available within each car pool.

d. Drivers would retain their status so long as their service meets the above requirements and the approval of their passengers.

In return for their services, the drivers would receive:

a. The free use of the vehicle during non-work hours.

b. A transportation allowance covering official gasoline costs.

c. Maintenance, insurance and necessary parking fees paid on the vehicle.

Passengers would pay their monthly subscriptions, in advance, directly to the Association rather than the drivers. Accounts could be credited for any work day transportation failed to show. A monthly subscription rate would be determined for each car pool based on fixed costs, distance covered and number of passengers. Estimated charges for a leased van providing door-to-door service in the metropolitan area for seven employees would be approximately \$45 per person per month. This approximates the average cost to Metro Bus transportation to Headquarters during the same period.

The Association, made up of volunteer participants, would be responsible for meeting all expenses including lease or eventual purchase of vans, insurance, maintenance and transportation allowance, all paid from the passenger's subscriptions.

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There would be no official Agency involvement with or funding of the Association.

4.. ADMAG members have surfaced the proposals informally with employees in their respective offices and have received favorable and interested responses. This interest was certainly higher during the gas shortages, and although interest may have abated, justifiably or not, ADMAG is of the opinion the proposals are deserving of further study. However, the members have exhausted their areas of expertise and therefore solicit the following assistance of the DDA in furthering the study.

a. Present the proposals to the Office of General Counsel for legal opinion.

b. Present the proposals to the Credit Union Association for their views.

c. Present the proposals to the Employee Activity Association for their comments.



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